

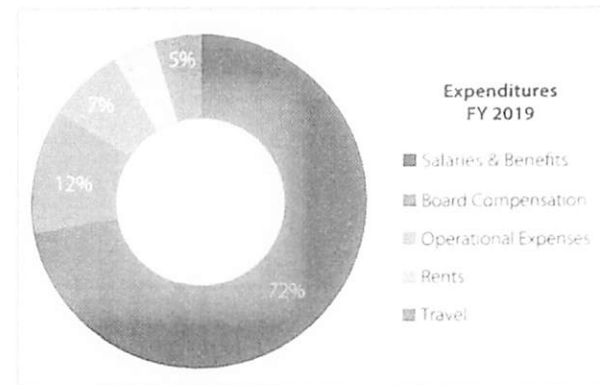
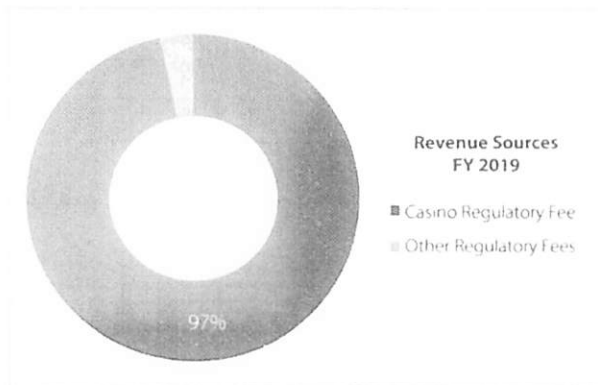
# **EXHIBIT**

# **B**

(CCCRF) Fund. Revenue Sources and Expenditures are shown in Table 1 and Table 2, respectively.

TABLE 1: REVENUE SOURCES		
	FISCAL YEAR 2018	FISCAL YEAR 2019
CCCRF Fund	\$3,000,000	\$3,000,000
Other Regulatory Fees	\$151,242	\$100,328
<b>TOTAL</b>	<b>\$3,151,242</b>	<b>\$3,100,328</b>

TABLE 2: EXPENDITURES		
	FISCAL YEAR 2018	FISCAL YEAR 2019
Salaries & Benefits	\$2,009,754	\$1,926,720
Board Compensation	\$313,774	\$324,996
Operational Expenses	\$315,799	\$193,471
Office Rental	\$85,956	\$109,000
Travel	\$221,898	\$123,157
<b>TOTAL</b>	<b>\$2,947,181</b>	<b>\$2,677,344</b>



CNMI Public Law 19-24 created the Commonwealth Casino Commission Regulatory Fee ("CCCRF") Fund, codified in 4 CMC § 2309, which established a flat annual license fee of Three Million Dollars (\$3,000,000) with a five percent increase every five years for the next twenty years beginning October 1, 2015. The CCCRF Fund is the annual license fee for Casino Employees, Key Employees, Gaming Tables, and Electronic Gaming Machines (slot machines). P.L. 19-24 allows the assessment of a flat fee of 3 million dollars rather than assessing individual license fees for employees, tables, and machines.

As shown on the Expenditures chart, the Commission's greatest expenses are primarily for employee salaries and benefits and board compensation. The Commission also continues to invest in its people through professional trainings and development relevant to the casino gaming industry. The trainings help the Commission enhance personnel knowledge of new standards, industry best practices and evolving technologies in casino gaming that includes the latest software, hardware, equipment, games, and other facets of the industry such as activities that involve criminal elements.



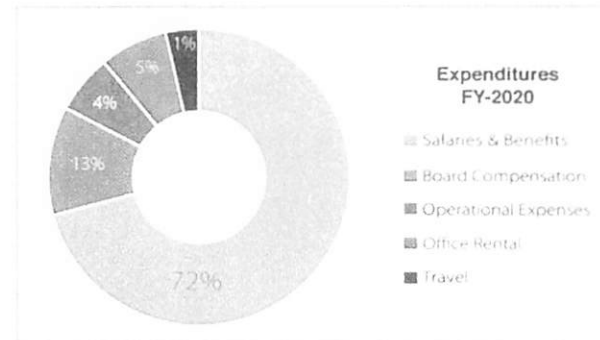
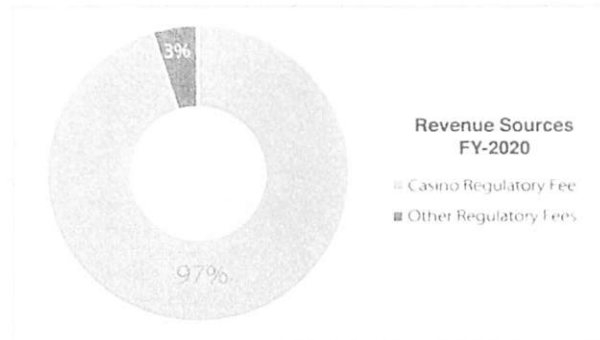
Commonwealth Casino Commission Division Employees of the Year

## FINANCES (Public Law 20-67)

For FY-2020, the Commission's budget is \$3,106,501 derived from the CNMI General Fund (\$1) and from the Commonwealth Casino Commission Regulatory Fee (CCCRF) Fund. Revenue Sources and Expenditures are shown in Table 1 and Table 2, respectively.

TABLE 1: REVENUE SOURCES		
	FY-2019	FY-2020
CCCRF Fund	\$3,000,000	\$3,000,000
Other Regulatory Fees	\$100,328	\$106,500
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$3,100,329</b>	<b>\$3,106,501</b>

TABLE 2: EXPENDITURES		
	FY-2019	FY-2020
Salaries & Benefits	\$1,926,720	\$1,904,767
Board Compensation	\$324,996	\$316,871
Operational Expenses	\$193,471	\$93,149
Office Rental	\$109,000	\$120,000
Travel	\$123,157	\$13,830
<b>TOTAL</b>	<b>\$2,677,344</b>	<b>\$2,448,617</b>



CNMI Public Law 19-24 created the Commonwealth Casino Commission Regulatory Fee (CCCRF) Fund, codified in 4 CMC § 2309, which established a flat annual license fee of Three Million Dollars (\$3,000,000) with a five percent increase every five years for the next twenty years beginning October 1, 2015. The CCCRF Fund is the annual license fee for Casino Employees, Key Employees, Gaming Tables, and Electronic Gaming Machines (slot machines). P.L. 19-24 allows the assessment of a flat fee of 3 million dollars rather than assessing individual license fees for employees, tables, and machines.

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## REGULATIONS, AND CASINO LICENSE AGREEMENT. TO PROVIDE REGULATORY OVERSIGHT OVER SAIPAN'S CASINO GAMING INDUSTRY.

FINANCES	3
Challenges	4

### FINANCES

For FY-2021, the Commission's revenue was limited to only \$20,215 due to the Casino Licensee's failure to pay the annual Casino Regulatory Fee of \$3.15M which was due on October 1, 2020.

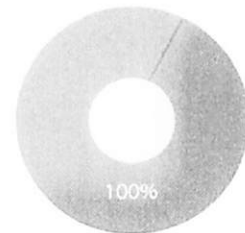
The Commission's expenses are primarily for employee salaries and benefits and board compensation.

TABLE 1: REVENUE SOURCES

	FY-2020	FY-2021
CCCRF Fund	\$3,000,000	\$0
Other Regulatory Fees	\$106,500	\$20,214
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$3,106,501</b>	<b>\$20,215</b>

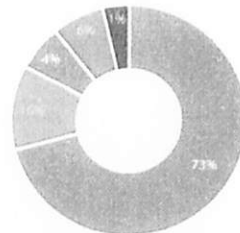
TABLE 2: EXPENDITURES

	FY-2020	FY-2021
Salaries & Benefits	\$1,904,767	\$1,424,606
Board Compensation	\$316,871	\$322,234
Operational Expenses	\$93,149	\$70,287
Office Rental	\$120,000	\$120,000
Travel	\$13,830	\$18,156
<b>TOTAL</b>	<b>\$2,448,617</b>	<b>\$1,955,283</b>



Revenue Source  
FY-2021

- Other Regulatory Fee
- Local General Fund



Expenditures  
FY-2021

- Salaries & Benefits
- Board Compensation
- Operational Expenses
- Office Rental
- Travel



2021 Commission Members. (Left to Right) Secretary Ramon M. Dela Cruz, Treasurer Mariano Tartano, Chairman Edward DeLeon Guerrero, Vice Chairman Rafael Demapan, Public Affairs Diego M. Songao

### REGULATION AMENDMENTS

- Commonwealth Register Volume 42 Number 12 "Various Changes"
- Commonwealth Register Volume 43 Number 08 Part 175-10.1.2655 "Sunset Provision"



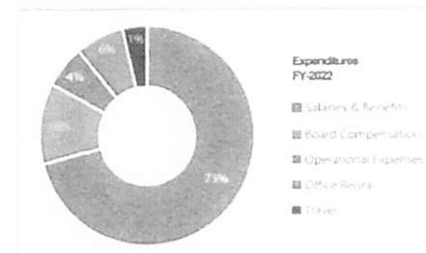
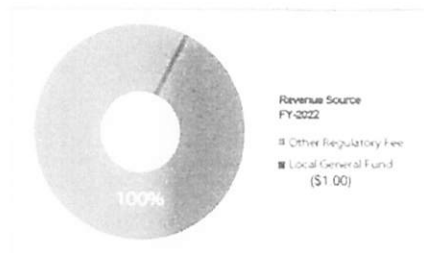
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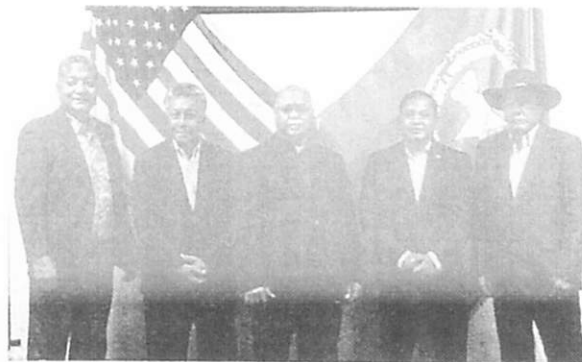
compensation

TABLE 1: REVENUE SOURCES		
	FY-2021	FY-2022
CCCRF Fund	\$0	\$0
Other Regulatory Fees	\$20,214	\$15,000
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$20,215</b>	<b>\$15,001</b>

TABLE 2: EXPENDITURES		
	FY-2021	FY-2022
Salaries & Benefits	\$1,424,606	\$561,795
Board Compensation	\$322,234	\$272,461
Operational Expenses	\$70,287	\$53,240
Office Rental	\$120,000	\$120,000
Travel	\$18,156	\$9,117
<b>TOTAL</b>	<b>\$1,955,283</b>	<b>\$1,016,613</b>



Commonwealth Casino Commission Staff 2022



2022 Commission Members. (Left to Right) Public Affairs Martin T. Mendiola, Treasurer Mariano Taitano, Chairman Edward C. DeLeon Guerrero, Vice Chairman Rafael S. Demapan, Secretary Ramon M. Dela Cruz

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**COMMONWEALTH CASINO COMMISSION**  
**FUND STATUS REPORT**  
**FY2016 - FY2022**

	A	B	C	D	E	F	G	H	I
		Expense Account	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
8	A	Personnel Cost	\$ 1,374,689	\$ 1,888,647	\$ 2,009,754	\$ 2,001,600	\$ 1,904,767	\$ 1,424,606	\$ 561,795
9	B	All Others							
10	1	Public Auditor 1% Fee	\$ -	\$ -	\$ -	\$ 33,950	\$ -	\$ -	\$ -
11	2	Professional Services	\$ 400	\$ 3,900	\$ -	\$ -	\$ -	\$ -	\$ -
12	3	Advertising	\$ 1,442	\$ 2,900	\$ 3,805	\$ 1,790	\$ 1,625	\$ 1,750	\$ 1,255
13	4	Board and Other Compensation	\$ 284,556	\$ 325,000	\$ 313,773	\$ 324,996	\$ 316,871	\$ 322,234	\$ 272,461
14	5	Communication	\$ 10,340	\$ 19,016	\$ 17,916	\$ 29,264	\$ 21,280	\$ 18,298	\$ 10,941
15	6	Dues & Subscription	\$ 1,168	\$ 2,505	\$ 1,852	\$ 2,845	\$ 405	\$ 584	\$ 491
16	7	Insurance	\$ 860	\$ 1,582	\$ 1,419	\$ 8,374	\$ 8,158	\$ 1,391	\$ 1,352
17	8	Licenses & Fees	\$ -	\$ -	\$ -	\$ 10,548	\$ -	\$ -	\$ -
18	9	Printing and Photocopying	\$ 5,209	\$ 7,873	\$ 6,800	\$ 6,080	\$ 2,303	\$ 1,865	\$ 2,261
19	10	Rental - Office	\$ 67,200	\$ 39,200	\$ 38,400	\$ 108,000	\$ 120,000	\$ 120,000	\$ 120,000
20	11	Rental - Office Equipment	\$ -	\$ -	\$ 6,156	\$ -	\$ -	\$ -	\$ -
21	12	Rental - Others	\$ -	\$ -	\$ 3,000	\$ 1,000	\$ -	\$ -	\$ -
22	13	Travel	\$ 208,363	\$ 361,522	\$ 303,589	\$ 149,059	\$ 13,832	\$ 18,156	\$ 9,117
23	14	Repairs and Maintenance	\$ 13,301	\$ 3,295	\$ 1,307	\$ 5,166	\$ 4,328	\$ 4,887	\$ 4,375
24	15	All Others (Budget Only)	\$ 2,000	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -
25	16	Personnel Training Cost	\$ 150,100	\$ 260	\$ 11,661	\$ 524	\$ 2,890	\$ -	\$ -
26	17	Utilities - Power	\$ 7,343	\$ 13,539	\$ 21,600	\$ 20,767	\$ 21,327	\$ 21,142	\$ 22,661
27	18	Books & Library Materials	\$ -	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ -
28	19	Food Items	\$ 5,175	\$ 3,100	\$ 4,151	\$ 2,773	\$ 1,624	\$ 2,598	\$ 320
29	20	Fuel and Lubrication	\$ 726	\$ 2,842	\$ 2,394	\$ 5,963	\$ 1,595	\$ 1,569	\$ 1,047
30	21	Office Supplies	\$ 10,516	\$ 12,000	\$ 7,184	\$ 3,789	\$ 1,587	\$ 606	\$ 359
31	22	Operation Supplies	\$ 26,951	\$ 29,281	\$ 16,715	\$ 17,646	\$ 14,632	\$ 4,131	\$ 706
32	23	Equipment under \$5,000	\$ 12,844	\$ 3,777	\$ 5,659	\$ 10,414	\$ -	\$ -	\$ -
33	24	Machinery, Tools & Equipment	\$ 10,727	\$ 706	\$ 596	\$ -	\$ -	\$ -	\$ -
34	25	Computer Systems & Equipment	\$ 125,806	\$ 62,435	\$ 112,663	\$ 4,855	\$ 6,157	\$ 4,482	\$ -
35	26	Office Equipment	\$ 57,682	\$ -	\$ 1,184	\$ 806	\$ 5,238	\$ 6,984	\$ 6,984
36	27	Office Furniture & Fixtures	\$ 73,815	\$ 15,069	\$ 19,831	\$ 2,400	\$ -	\$ -	\$ -
37	28	Vehicle - Public Serv & Admin	\$ 32,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38		<b>TOTAL</b>	<b>\$ 2,483,319</b>	<b>\$ 2,800,298</b>	<b>\$ 2,911,409</b>	<b>\$ 2,752,609</b>	<b>\$ 2,448,619</b>	<b>\$ 1,955,283</b>	<b>\$ 1,016,625</b>